

Grantee: Arlington, TX

Grant: B-08-MN-48-0001

April 1, 2009 thru June 30, 2009 Performance Report

Grant Number:

B-08-MN-48-0001

Obligation Date:**Grantee Name:**

Arlington, TX

Award Date:**Grant Amount:**

\$2,044,254.00

Contract End Date:**Grant Status:**

Active

Review by HUD:

Submitted - Await for Review

Submitted By:

No Submitter Found

Disasters:

Declaration Number

NSP

Plan Description:

AREAS OF GREATEST NEED: The map of the area of greatest needs is located on the City of Arlington website at: <http://www.arlingtontx.gov/housing/pdf/NSP%20Target%20area%20map.pdf>. It is referred to as Attachment A in the Action Plan. Attachment A, the map, identifies the areas of greatest need within the city of Arlington. Data used to identify these areas consisted of an analysis of the following: 1) Actual foreclosures for the prior six month period; 2) Vacant foreclosures based on utility shut off records; 3) Census block groups with high foreclosure abandonment risk based on decline in home values, high cost loans issued from 2004-2006, unemployment rate, and vacant residential addresses as of June 2008; and 4) Census block groups with 51 percent or more of the residents earning less than 120 percent of Area Median Income. In general, the areas of greatest need include East Central Arlington and Southeast Arlington. Additional targeting at the neighborhood level will occur as additional detailed foreclosure data is analyzed. **DISTRIBUTION AND USES OF FUNDS:** The City of Arlington will distribute NSP funds to the areas of greatest need as illustrated on the map in Attachment A and the budget in this action plan. Data used to develop this map consisted of components identified within the three need categories in the NSP guidelines: Areas within Arlington that have the greatest percentage of home foreclosures, the highest percentage of homes financed by a sub-prime mortgage related loan, and areas within Arlington that are likely to face an increase in home foreclosures. Activities performed under NSP will be targeted to meet the identified areas of greatest need as presented in Attachment A. Targeted census tracts include 1221.00, 1229.00, 1115.22, 1115.24, 1115.43, 1115.41, and 1115.14. The map in Attachment A includes data from the following sources, provided on the HUD website: Office of Federal Housing Enterprise Oversight (OFHEO), Federal Reserve Home Mortgage Disclosure Act (HMDA), Labor Department, and United States Postal Service. **DEFINITIONS AND DESCRIPTIONS:** (1) Definition of blighted structure in context of state or local law. Response: The City of Arlington will define blighted structure as a property that is deteriorated, deteriorating or otherwise determined to be a substandard structure that constitutes a threat to human health, safety, and/or public welfare. (2) Definition of affordable rents. Note: Grantees may use the definition they have adopted for their CDBG program but should review their existing definition to ensure compliance with NSP program specific requirements such as continued affordability. Response: In the event that activities involving rental units are carried out as part of this grant, the City of Arlington will adopt the HOME affordable rent standards located at 24 CFR 92.252(a) (c) and (f). (3) Describe how the grantee will ensure continued affordability for NSP assisted housing. Response: For the purposes of homeownership, the City of Arlington will adopt the HOME affordability requirements located at 24 CFR 92.254 which will be imposed through deed restrictions and will ensure affordability by imposing recapture requirements as defined in the City of Arlington's Consolidated Plan. Homeownership Assistance Minimum Affordability Period in Years Under \$15,000 5 \$15,000 to \$40,000 10 Over \$40,000 15 (4) Describe housing rehabilitation standards that will apply to NSP assisted activities. Response: For the purposes of housing rehabilitation activities performed in the NSP grant, the City of Arlington will adopt the housing rehabilitation standards utilized in its CDBG and HOME funded Housing Rehabilitation Program. The housing rehabilitation standards require dwelling units to meet applicable local code.

Recovery Needs:

LOW INCOME TARGETING: The City of Arlington will designate a minimum of \$511,064 (25%) of NSP funds to

benefit individuals or families at or below 50% of Area Median Income (AMI). Activities will include the purchase and redevelopment of abandoned or foreclosed homes or residential properties for housing individuals or families whose incomes do not exceed 50% of AMI.

ACQUISITIONS & RELOCATIONS: The City of Arlington will only acquire or demolish foreclosed homes which are vacant and have been vacant for at least 90 days.

PUBLIC COMMENT: The following is a summary of comments received from interested parties during NSP planning sessions in October and November 2008 and the City's response.

1. Recommended Levels of Homebuyer Assistance:

For homebuyers making less than 50% of Area Median income (e.g., \$32,400 for a 4 person household) the following levels of assistance are recommended:

Down Payment/Closing Cost assistance \$20,000
Housing Rehabilitation Up to \$24,500

For homebuyers making less than 120% of area median income, (e.g., \$77,500 for a 4-person household) the following levels of assistance are recommended:

Down Payment/Closing Cost assistance \$10,000
Housing Rehabilitation up to \$24,500*

*with the expectation that actual housing rehabilitation assistance will average \$5,000 to \$8,000 per unit

2. Miscellaneous Comments:

- After 1/1/09 FHA requires purchasers to make a down-payment of at least 3.5%
- FHA permits the seller to contribute 6% of the purchase price for closing costs
- One appraiser and one loan provider requested to be added to the NSP bidders list

3. Challenges:

- The requirement to appraise the home within 60-days prior to the offer to purchase will be difficult
- Closing on a home that requires rehabilitation work to be performed
- Critical need to educate / inform realtors about the availability of the NSP program and how it works so they can inform their clients.
- Due to tightening and continual change of underwriting standards it is increasingly more difficult for purchasers to qualify for a mortgage. As a result, we desire not to be restrictive, but may need to identify and work with two or three willing lenders to make loans to NSP clients

The City of Arlington compiled citizen comments and included feedback in the development of the NSP plan. The City responded to the citizens by agreeing to provide additional information about the NSP program to local citizens, realtors and lenders as requested. Individuals requesting to be put on the NSP bidders list were added to the list.

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$4,088,508.00
Total CDBG Program Funds Budgeted	N/A	\$2,044,254.00
Program Funds Drawdown	\$27,035.51	\$27,035.51
Obligated CDBG DR Funds	\$2,044,254.00	\$2,044,254.00
Expended CDBG DR Funds	\$28,560.96	\$28,560.96
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Progress Toward Required Numeric Targets

Requirement	Required	To Date
Minimum Overall Benefit Percentage	\$99.99	\$0.00
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$306,638.10	\$0.00
Limit on Admin/Planning	\$204,425.40	\$28,560.96
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

Overall Progress Narrative:

Activity through June 30, 2009 has consisted largely of marketing efforts and completion of procurement activities related to implementation of NSP. To date, the City has contracted for appraisal services and activity administration. Marketing to local real estate professional organizations continues. Homebuyer education classes are conducted twice monthly, and classes remain full. Classes has been developed to educate lenders and realtors about the NSP process and are held monthly. Classes remain full; additional classes are added as needed. Though no activity is reported for the period ending 6/30/09, in July, three complete applications were received for homebuyer assistance. They are currently being underwritten and three additional applications are in process.

Project Summary

Project #, Project Title	This Report Period		To Date	
	Project Funds Budgeted	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
9999, Restricted Balance	\$0.00	\$0.00	\$0.00	\$0.00
ADMIN, Administration	\$204,424.00	\$27,035.51	\$204,424.00	\$27,035.51
BCKT, Bucket Project	(\$204,424.00)	\$0.00	\$0.00	\$0.00
NSPADR001, Acquisition/Demo/Redevelopment	\$0.00	\$0.00	\$265,753.00	\$0.00
NSPAR01, Acquisition Rehab	\$0.00	\$0.00	\$735,932.00	\$0.00
NSPHA001, Homebuyer Assistance	\$0.00	\$0.00	\$838,145.00	\$0.00

Activities

Grantee Activity Number:	ADMIN
Activity Title:	Administration

Activity Category:

Administration

Project Number:

ADMIN

Projected Start Date:

03/01/2009

National Objective:

N/A

Activity Status:

Planned

Project Title:

Administration

Projected End Date:

07/30/2013

Responsible Organization:

City of Arlington

Overall
Apr 1 thru Jun 30, 2009
To Date

Total Projected Budget from All Sources	N/A	\$408,848.00
Total CDBG Program Funds Budgeted	N/A	\$204,424.00
Program Funds Drawdown	\$27,035.51	\$27,035.51
Obligated CDBG DR Funds	\$204,424.00	\$204,424.00
Expended CDBG DR Funds	\$28,560.96	\$28,560.96
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Administration and monitoring of Neighborhood Stabilization Program activities.

Location Description:

Administration

Activity Progress Narrative:

Administrative activity to date includes:

- marketing
- development of procedures and program documents
- procurement activity for program administration and appraisers
- homebuyer and lender/realtor education
- development of financial procedures/accounts

Performance Measures

No Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources

Amount

Neighborhood Stabilization Program

\$204,424.00

Total Other Funding Sources

\$204,424.00

Grantee Activity Number: ADR-001**Activity Title: Acquisition/Demolition/Redevelopment****Activity Category:**

Clearance and Demolition

Activity Status:

Planned

Project Number:

NSPADR001

Project Title:

Acquisition/Demo/Redevelopment

Projected Start Date:

03/01/2009

Projected End Date:

07/30/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

City of Arlington

Overall**Apr 1 thru Jun 30, 2009****To Date****Total Projected Budget from All Sources**

N/A

\$531,506.00

Total CDBG Program Funds Budgeted

N/A

\$265,753.00

Program Funds Drawdown

\$0.00

\$0.00

Obligated CDBG DR Funds

\$265,753.00

\$265,753.00

Expended CDBG DR Funds

\$0.00

\$0.00

Match Contributed

\$0.00

\$0.00

Program Income Received

\$0.00

\$0.00

Program Income Drawdown

\$0.00

\$0.00

Activity Description:

The areas of greatest need will be targeted for activities that have the expected benefit of providing homebuyer assistance to an income qualified persons for an affordable housing unit, or for development of public facilities such as a pocket park in a low income neighborhood.

Location Description:

Housing units for demolition will be targeted in areas of greatest need as illustrated in the target map shown in the City of Arlington's NSP Substantial Amendment, Attachment A. These are the highest risk census block groups located in East Central and Southeast Arlington. The City reserves the option to add or amend target areas based upon additional information.

Activity Progress Narrative:

No eligible properties have been identified to date.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/2

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
Neighborhood Stabilization Program	\$265,753.00
Total Other Funding Sources	\$265,753.00

Grantee Activity Number:	AR-120-001
Activity Title:	Acquisition Rehab<120

Activity Category:

Acquisition - buyout of residential properties

Activity Status:

Planned

Project Number:

NSPAR01

Project Title:

Acquisition Rehab

Projected Start Date:

03/01/2009

Projected End Date:

07/30/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

City of Arlington

Overall	Apr 1 thru Jun 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$1,063,012.00
Total CDBG Program Funds Budgeted	N/A	\$531,506.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$531,506.00	\$531,506.00
Expended CDBG DR Funds	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Areas of greatest need include highest risk census blocks in East Central Arlington and Southeast Arlington. The expected benefit to income qualified persons is homebuyer assistance for an affordable housing unit. Three units housing units are anticipated to be assisted with NSP funds and an additional four units through the use of program income.

Location Description:

Acquisition and rehabilitation will be targeted in areas of greatest need as illustrated in the target map shown in the City of Arlington's NSP Substantial Amendment, Attachment A. The City reserves the option to add or amend target areas based upon additional information.

Activity Progress Narrative:

No activity to date. The City, through coordination with the Arlington Housing Authority, is exploring purchase of HUD real estate owned properties for redevelopment through NSP. The housing authority is able to participate in a Disaster Housing Assistance Program/HUD REO acquisition activity to purchase foreclosed homes at a substantial discount from the appraised value. Two potential activities are within the current NSP target area.

Performance Measures

This Report Period			Cumulative Actual Total / Expected		
Low	Mod	Total	Low	Mod	Total

# of housing units	0	0	0	0/0	0/0	0/7
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Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
Neighborhood Stabilization Program	\$531,506.00
Total Other Funding Sources	\$531,506.00

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Grantee Activity Number:	AR-50-001
Activity Title:	Acquisition Rehab <50

Activity Category:

Acquisition - buyout of residential properties

Project Number:

NSPAR01

Projected Start Date:

03/01/2009

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Planned

Project Title:

Acquisition Rehab

Projected End Date:

07/30/2013

Responsible Organization:

City of Arlington

Overall	Apr 1 thru Jun 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$408,852.00
Total CDBG Program Funds Budgeted	N/A	\$204,426.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$204,426.00	\$204,426.00
Expended CDBG DR Funds	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

The expected benefit to income qualified persons is homebuyer assistance for an affordable housing unit. Two units will be funded directly with NSP funding. An additional 5 are anticipated to be created with program income.

Location Description:

Acquisition and rehabilitation activities will be targeted in areas of greatest need as identified in Attachment A of the NSP Substantial Amendment. Areas include highest risk census block groups in East Central Arlington and Southeast Arlington.

Activity Progress Narrative:

No activity to date. The City, through coordination with the Arlington Housing Authority, is exploring purchase of HUD real estate owned properties for redevelopment through NSP. The housing authority is able to participate in a Disaster Housing Assistance Program/HUD REO acquisition activity to purchase foreclosed homes at a substantial discount from the appraised value. Two potential activities are within the current NSP target area.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of housing units	0	0	0	0/0	0/0	0/7

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
Total Other Funding Sources	\$204,426.00

Neighborhood Stabilization Program	\$204,426.00
Total Other Funding Sources	\$204,426.00

Grantee Activity Number:	HA-120-001
Activity Title:	Homebuyers' Assistance <120

Activity Category:

Homeownership assistance to low- and moderate-income

Project Number:

NSPHA001

Projected Start Date:

03/01/2009

National Objective:

NSP Only - LMMI

Activity Status:

Planned

Project Title:

Homebuyer Assistance

Projected End Date:

07/30/2013

Responsible Organization:

City of Arlington

Overall	Apr 1 thru Jun 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$1,063,012.00
Total CDBG Program Funds Budgeted	N/A	\$531,506.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$531,506.00	\$531,506.00
Expended CDBG DR Funds	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Homebuyer assistance will be provided to qualified, income-eligible households for the homes acquired and rehabilitated in the highest risk census tracts identified in the location description. The expected benefit to income-qualified persons is homebuyer assistance for an affordable housing unit.

Location Description:

Homebuyer assistance will be targeted in areas of greatest need as illustrated in the target map shown in the City of Arlington's NSP Substantial Amendment, Attachment A. These are the highest risk census block groups located in East Central and Southeast Arlington. The City reserves the option to add or amend target areas based upon additional information.

Activity Progress Narrative:

Through 6/30/09, no applications had been received for this activity. However, through this writing, 7/24/09, one application has been received and is being underwritten. Two additional applications are pending.

Marketing efforts, including presentations at real estate professionals' meetings, continue regularly. Homebuyer education classes remain full; the most recent class held July 21st had over 90 attendees.

The City has developed professional public service announcements which will begin airing in August to continue to develop interest in the NSP activities.

At present, the City is assessing the most current foreclosure data in consideration of expanding the NSP target area.

Numerous requests for assistance have been received for properties just outside the NSP target area.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Households benefitting	0	0	0	0/0	0/17	0/17

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
Neighborhood Stabilization Program	\$531,506.00
Total Other Funding Sources	\$531,506.00

Grantee Activity Number:	HA-50-001
Activity Title:	Homebuyers' Assistance <50

Activity Category:

Homeownership assistance to low- and moderate-income

Project Number:

NSPHA001

Projected Start Date:

03/01/2009

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Planned

Project Title:

Homebuyer Assistance

Projected End Date:

07/30/2013

Responsible Organization:

City of Arlington

Overall	Apr 1 thru Jun 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$613,278.00
Total CDBG Program Funds Budgeted	N/A	\$306,639.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$306,639.00	\$306,639.00
Expended CDBG DR Funds	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Homebuyer assistance will be provided to qualified, income-eligible households for the homes acquired and rehabilitated in the highest risk census block groups identified in the location description. In addition, other foreclosed homes across the City, depending upon price, will also be available to very low income individuals such as the Family Self-Sufficiency Program, Safe Haven Domestic Violence Shelter, and transitional housing programs for homeless persons. The expected benefit to income-qualified persons is homebuyer assistance for an affordable housing unit.

Location Description:

Homebuyer assistance will be targeted in areas of greatest need as illustrated in the target map shown in the City of Arlington's NSP Substantial Amendment, Attachment A. These are the highest risk census block groups located in East Central and Southeast Arlington. The City reserves the option to add or amend target areas based upon additional information.

Activity Progress Narrative:

Through 6/30/09, no applications had been received for this activity. However, through this writing, 7/24/09, two applications have been received and are being underwritten. An additional application is pending.

Marketing efforts, including presentations at real estate professionals' meetings, continue regularly. Homebuyer education classes remain full; the most recent class held July 21st had over 90 attendees.

The City has developed professional public service announcements which will begin airing in August to continue to develop interest in the NSP activities.

At present, the City is assessing the most current foreclosure data in consideration of expanding the NSP target area. Numerous requests for assistance have been received for properties just outside the NSP target area.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Households benefitting	0	0	0	0/8	0/0	0/8

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
Neighborhood Stabilization Program	\$306,639.00
Total Other Funding Sources	\$306,639.00
